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TAGS: [ECON](#) [ETRD](#) [EINV](#) [PGOV](#) [ZI](#)
SUBJECT: Govt/Business: At Least They Talk

11. Summary: The Confederation of Zimbabwe Industries (CZI) annual conference intimates the GOZ is more willing to listen to, though not act upon, private sector concerns. End summary.

Cordial Confrontation

12. Government and business repeatedly congratulated themselves during the Aug 5-6 sessions on a newfound inclination for discussion. The GOZ's daily Herald shared this view, proclaiming an end to "mud-slinging between the two parties." In fact, the GOZ turned out in full-force for this business congress. Five ministers as well as the Reserve Bank (RBZ) Governor planned to address the gathering of some 300 businesspersons at the Victoria Falls resort town. (The death of Zanu-PF leader and other unforeseen commitments kept several away.)

13. The two sides did not agree concretely on much. The GOZ regurgitated familiar polemics, e.g.:

- Trade/Industry Minister Mumbengegwi credited President Mugabe's so-called war cabinet with turning around the economic decline. (Comment: Named in August 2002, the cabinet enacted strict price controls. On the heels of fast-track land reform, these controls plunged the country into its deepest ever recession, culminating with negative-15 percent growth in 2002. Two years on, the economy is still shrinking.)

- RBZ Governor Gono continued to label exporters complaining of an overvalued exchange rate "crybabies."

- Trade/Industry Permanent Secretary Katsande insisted Western sanctions had largely caused Zimbabwe's economic plight.

This is not the stuff of GOZ moderation or introspection. However, top officials also listened politely while speakers and delegates blasted the overvalued currency, controlled media and ministerial land-grabs. Zimsun CEO Shingi Munyeza, who heads the country's top tourism outfit, nearly shouted to roaring applause: "I urge all A2 farmers [recipients of larger farms during land reform] to go farm and stop being weekend farmers."

Comment

14. Given how combative government-business relations have been, such open exchanges hint at progress, albeit minute. During breaks, many businesspersons commented to Emboff that this dialogue would not have taken place a year ago. Both sides have moderated their tone, led by RBZ Governor Gono for the GOZ and CZI President Anthony Mandiwanza - a Zanu-PF loyalist - for the business community. Transforming words to action, however, there's still an ocean to scale.

Sullivan